

General Assembly

Raised Bill No. 5265

February Session, 2006

LCO No. 1511

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Referred to Committee on Energy and Technology

Introduced by: (ET)

AN ACT CONCERNING COMMUNITY ACCESS TELEVISION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (Effective October 1, 2006) A community antenna
- television advisory council or an organization or company selected
- 3 pursuant to section 16-331a of the general statutes, as amended by this
- 4 act, that appeals an order or decision of the Department of Public
- 5 Utility Control issued pursuant to sections 16-331, 16-331a and 16-333
- 6 of the general statutes, as amended by this act, shall be deemed to be
- aggrieved. The provisions of this section shall not apply to an appeal
- 8 from the granting or denial of a new or renewed certificate of public
- 9 convenience and necessity pursuant to section 16-331 of the general
- statutes, as amended by this act.
- 11 Sec. 2. Subsection (c) of section 16-331 of the general statutes is
- 12 repealed and the following is substituted in lieu thereof (Effective
- 13 October 1, 2006):
- 14 (c) (1) A representative of a community antenna television company
- 15 issued a certificate of public convenience and necessity in accordance
- 16 with this section shall, twice a year, arrange for and hold a meeting

with the advisory council established, in accordance with regulations adopted by the department in accordance with chapter 54, for the franchise area served by such company. (2) The department shall designate an advisory council as an intervenor in any contested case before the department involving the community antenna television company which the council is advising. Such company shall provide to the chairperson of its advisory council a copy of any report, notice or other document it files with the department. If a community antenna television company fails or refuses to furnish adequate service to any customer, the advisory council for the franchise area served by the company may file a written petition with the department alleging the failure or refusal. The department shall hold a hearing on such petition and, not later than one hundred fifty days after receiving the petition, shall issue a written decision on the petition. The company shall thereafter furnish service to the customer in accordance with the conditions prescribed under the department's decision. (3) Each community antenna television company shall, every six months, provide on bills, bill inserts or letters to subscribers, and shall prominently post in the company's primary subscriber service area and community access facility, a notice indicating the name and an address of the chairperson of the company's advisory council and describing the responsibilities of the advisory council. Each such company shall provide its advisory council with an opportunity to review such notice prior to distributing or posting the notice. (4) The department shall adopt regulations in accordance with the provisions of chapter 54 to establish a state-wide advisory council that shall assist local advisory councils in the performance of their functions and disseminate information to local advisory councils that is relevant to the interests of customers of community antenna television companies.

Sec. 3. Subsection (d) of section 16-331 of the general statutes is amended by adding subdivision (7) as follows: (*Effective October 1,* 2006):

49 (NEW) (7) Notwithstanding the provisions of this subsection, the

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department shall extend a certificate for a franchise upon the submission of (A) an agreement between the franchise and an organization or company providing community access programming for capital financial assistance for improvements to such organization or company's facilities or equipment, and (B) evidence of payment by the franchise pursuant to said agreement. Such extension shall not be a contested case proceeding.

- Sec. 4. Subsection (f) of section 16-331 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):
- 60 (f) Each applicant for a certificate shall finance the reasonable costs 61 of a community needs assessment, conducted by an independent 62 consultant and developed jointly by the department, the Office of 63 Consumer Counsel, the local advisory council and the applicant, 64 which assessment shall analyze a community's future cable-related 65 needs and, if applicable, shall provide the department with assistance 66 in analyzing an operator's past performance as defined in subsection 67 (d) [of section 16-333*l*] this section. The department shall supervise the 68 assessment and provide the independent consultant with the date 69 upon which the assessment shall be completed and filed with the 70 department. Such community needs assessment shall be conducted in 71 lieu of the requirement in subdivision (12) of subsection (c) of section 72 16-333-39 of the regulations of Connecticut state agencies. If the 73 department refuses to order the implementation of any of the 74 assessment's recommendations, the department shall state the reasons 75 for such refusal in its decision. The provisions of this subsection shall 76 not apply to a franchise area which is subject to effective competition, 77 as defined in 47 USC 543, as from time to time amended, at the time 78 the application is received by the department.
 - Sec. 5. Subsection (g) of section 16-331 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

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- 82 (g) Each certificate of public convenience and necessity for a 83 franchise issued pursuant to this section shall be nonexclusive, and 84 each such certificate issued for a franchise in any area of the state 85 where an existing franchise is currently operating shall not contain 86 more favorable terms or conditions than those imposed on the existing 87 franchise. This subsection shall not apply to the length of the term of 88 such certification as may be determined pursuant to subsection (d) of 89 this section. A certificate may require a franchise to allow community 90 access television interconnection with an existing or potential 91 competitor franchise.
- 92 Sec. 6. Subsection (d) of section 16-331a of the general statutes is 93 repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):
- 95 (d) Each company or organization shall conduct outreach programs 96 and promote its community access services. Such outreach and 97 promotion may include, but not be limited to (1) broadcasting cross-98 channel video announcements, (2) distributing information throughout 99 the franchise area and not solely to its subscribers, (3) including 100 community access information in its regular marketing publications, 101 broadcasting character-generated text messages or video 102 announcements on barker or access channels, (5) making speaking 103 engagements, [and] (6) holding open receptions at its community 104 access facilities, and (7) in multitown franchise areas, encouraging the 105 formation and development of local community access studios 106 operated by volunteers or nonprofit operating groups.
- Sec. 7. Subsection (h) of section 16-331a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective* 109 October 1, 2006):
- (h) Upon the request of the Office of Consumer Counsel or the franchise's advisory council, and for good cause shown the department shall require an organization responsible for community access operations to have an independent audit conducted at the expense of

- 114 the organization. For purposes of this subsection, good cause may 115 include, but not be limited to, the failure or refusal of such 116 organization (1) to account for and reimburse the community access 117 programming budget for its commercial use of community access 118 programming facilities, equipment or staff, or for the allocation of such 119 facilities, equipment or staff to functions not directly related to the 120 community access operations of the franchise, (2) to carry over 121 unexpended community access programming budget accounts at the 122 end of each fiscal year, (3) to properly maintain community access 123 programming facilities or equipment in good repair, or (4) to plan for 124 the replacement of community access programming equipment made 125 obsolete by technological advances. In response to any such request, 126 the department shall state, in writing, the reasons for its action or 127 inaction.
- Sec. 8. Subsection (k) of section 16-331a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective* 130 October 1, 2006):
 - (k) [The] In addition to the amount needed for the facilities, equipment and support required to be provided pursuant to subsection (b) of this section, the department shall establish the amount that the company or organization responsible for community access operations shall receive for such operations from subscribers and from multichannel video programming distributors. The amount shall be five dollars per subscriber per year, adjusted annually by a percentage reflecting the increase or decrease of the consumer price index for the preceding calendar year, provided the department may increase or decrease the amount by not more than forty per cent of said amount for the subscribers and all multichannel video programming distributors within a franchise area after considering (1) the criteria set forth in subsection (c) of this section, (2) the level of public interest in community access operations in the franchise area, (3) the level of community need for educational access programming, (4) the level and breadth of participation in community access operations, (5) the

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adequacy of existing facilities, equipment and training programs to meet the current and future needs of the franchise area, and (6) any other factors determined to be relevant by the department. Prior to increasing or decreasing said amount, the department shall give notice and opportunity for a hearing to the company or multichannel video programming distributor and, where applicable, the organization responsible for community access programming. The amount shall be assessed once each year for each end user premises connected to an open video system, irrespective of the number of multichannel video programming distributors providing programming over the open video system. When the department issues, transfers or renews a certificate of public convenience and necessity to operate a community antenna television system, the department shall include in the franchise agreement the amount that the company or organization responsible for community access operations shall receive for such operations from subscribers. The department shall conduct a proceeding to establish the amount that the company or organization responsible for community access operations shall receive for such operations from multichannel video programming distributors and the method of payment of said amount. The department shall adopt regulations in accordance with chapter 54 to implement the provisions of this subsection. The company or organization shall annually submit to the department, for its approval, a budget for the expenditure of the funds received under this subsection. The advisory council and any local group to which community access programming responsibilities have been delegated pursuant to subsection (p) of this section shall have input in the formulation of such budget and in the expenditure of such funds. In multitown franchise areas, such budget shall be structured in such manner as to effect an equitable distribution of such resources, or the benefits derived from such resources, throughout the franchise area.

Sec. 9. Section 16-331a of the general statutes is amended by adding subsections (o) and (p) as follows (*Effective October 1, 2006*):

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(NEW) (o) Each company or organization shall consult with its advisory council in the formation of a community access programming policy, the adoption of the community access programming budget and the allocation of capital equipment and community access programming resources.

(NEW) (p) Each company or organization in a multitown franchise area may delegate responsibility for the production of community access programming to local, nonprofit, volunteer operating groups, subject to its supervision over such groups. Such groups may require payment of nominal dues as a qualification for membership, provided such dues or membership do not confer a privilege in the use of community access facilities or equipment or constitute an indirect charge for such use. The department shall adopt regulations in accordance with the provisions of chapter 54 to establish procedures for the supervision of such groups by such companies or organizations.

Sec. 10. Section 16-331c of the 2006 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2006*):

Each community antenna television company, as defined in section 16-1, <u>as amended</u>, shall annually contribute to the advisory council in its franchise area an amount not less than two thousand dollars [. An] <u>and to the state-wide advisory council an amount not less than two hundred dollars. A local advisory council may at its option receive any or all of its funding through in-kind services of the community antenna television company. [Each] <u>The state-wide advisory council and each local</u> advisory council shall annually, on January thirty-first, provide the Department of Public Utility Control with an accounting of any funding or services received.</u>

Sec. 11. (NEW) (*Effective October 1, 2006*): (a) The Department of Public Utility Control shall adopt regulations in accordance with the provisions of chapter 54 of the general statutes to establish a system for

- the formal review of the performance of each community antenna television company at the mid-point and at the end of the term of its franchise contained in its certificate of public convenience and necessity. The review at the end of the term shall commence and be concluded prior to any application for a renewal of the franchise's certificate.
 - (b) The purpose of said reviews shall be to monitor franchise compliance with the provisions of chapter 289 of the general statutes and regulations adopted pursuant to said chapter 289.
 - (c) A review pursuant to this section shall include at least one public hearing. If, at the time of the review at the end of the term of a franchise, a community needs assessment pursuant to section 16-331 of the general statutes, as amended by this act, is in progress or will be required for the renewal of the certificate of public convenience and necessity, such assessment shall be considered in said review.
 - (d) The information obtained in a review conducted pursuant to this section and from the community needs assessment, if applicable, shall be used by the department to formulate a list of provisions to be included in the succeeding franchise certificate of public convenience and necessity, which provisions shall be contained, in writing, in the department's decision at the conclusion of the performance review at the end of the term of the franchise. Said provisions shall be entered into the record at the commencement of a proceeding for an initial, renewal or transfer certificate of public convenience and necessity for the subject franchise.
 - (e) Reviews conducted pursuant to this section shall be distinct from proceedings initiated pursuant to 47 USC 546.

This act shall take effect as follows and shall amend the following				
sections:				
Section 1	October 1, 2006	New section		

Sec. 2	October 1, 2006	16-331(c)
Sec. 3	October 1, 2006	16-331(d)
Sec. 4	October 1, 2006	16-331(f)
Sec. 5	October 1, 2006	16-331(g)
Sec. 6	<i>October 1, 2006</i>	16-331a(d)
Sec. 7	October 1, 2006	16-331a(h)
Sec. 8	<i>October 1, 2006</i>	16-331a(k)
Sec. 9	<i>October 1, 2006</i>	16-331a
Sec. 10	<i>October 1, 2006</i>	16-331c
Sec. 11	October 1, 2006	New section

Statement of Purpose:

To amend the community antenna television systems provisions to encourage community access television.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]